

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1764 – SB 2571

March 15, 2022

SUMMARY OF BILL: Prohibits electric and natural gas utilities from using data or information acquired by a smart meter for a purpose other than billing the applicable customer.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation is applicable only to public utilities providing natural gas or electricity which are subject to oversight by the Tennessee Public Utility Commission.
- Such utilities, as defined by Tenn. Code Ann. § 65-4-101(6), do not include state or locally owned utilities.
- As used in the proposed legislation, a “smart meter” means an electric utility or natural gas utility meter, utility meter component, utility meter load control device, or a device ancillary to the utility meter, that:
 - Is located on or in a customer's residence, business, or structure; and
 - Communicates with, monitors, measures, records, reports, stores, restricts, or regulates electrical or natural gas-powered appliances, equipment, or devices.
- The proposed legislation would prohibit such public utilities from using data or information acquired by a smart meter for a purpose other than billing.
- The proposed legislation contains no prescribed penalties for violations.
- Any fiscal impact to state or local government is estimated to be not significant.

IMPACT TO COMMERCE:

Other Fiscal Impact – Due to multiple unknown variables a precise impact to commerce and jobs in Tennessee cannot reasonably be determined.

Assumptions:

- Utility providers use smart meter data for a variety of purposes including, but not limited to: outage detection, outage resolution, power quality improvements, theft detection, transformer failure detection, and records maintenance.
- Prohibiting a utility from using smart meter data for a purpose other than billing will have a significant impact on business expenditures.

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- Due to multiple unknown variables such as the number of public utilities utilizing smart meters and the purposes for which these public utilities use the data and information acquired by a smart meter, any impact to commerce and jobs within Tennessee cannot reasonably be determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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